August 27, 1993

New Mexico Oil Conservation Division P.O. Box 1980 Hobbs, N.M. 88240

Attn: Mr. Mike Williams District II Supervisor

Re: Gas Well Shut-In Pressure Report Exemption Request New Mexico DF State Com #1 Unit Letter J, Sec. 32, T-21-S , R-23-E API 30-025-10723

Mr. Williams:

Texaco Exploration and Production Inc. requests an exemption from the Gas Well Shut-In Pressure Report for 1993 for the above well. This well is currently averaging 7 oil and 2984 MCF per day. Considering the Well's significant gas production, if the twentyfour hour shut-in pressure test is conducted, both TEPI and the State of New Mexico will realize lost revenues. In addition to the lost revenue, there is the possibility of killing the well while it is shut-in for the pressure test. Swabbing the well back in would mean additional costs.

It is undorstood that if this exemption is approved that it applies only to the Gas Well Shut-In Pressure Report for 1993. It is also understood that if this well is shut-in for any other reason the shut-in pressure test will then be conducted.

If you have any questions concerning this request, please contact me at 397-0418 or 393-7191. Thank you for your assistance in this matter.

Yours very truly,

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Monte C. Duncan Engineer's Assistant

Approved by <u>Mike Williams</u> Approval Date <u>SEP 1 7 1993</u>

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